

TARIFF ACTION MEMORANDUM

File No.: TL159-311

Date: February 18, 2022

Date Filed: January 25, 2022

Statutory Timeline: February 24, 2022

Name of Utility/Pipeline: Harvest Alaska, LLC (Harvest Alaska) - CPCN No. 311

Tariff Recommendation:

Staff recommends the Commission approve Tariff Sheet No.16, which includes the adoption by reference of Harvest Alaska's current FERC Tariff No. 44.21.0, filed January 25, 2022, as shown in Attachment CNR-1. The effective date of the tariff sheet should be February 1, 2022.

Reason(s) for the above-indicated recommendation: See attached memorandum.

Signed:¹ Cameron N. Rollins Title: Utility Engineering Analyst
Cameron Rollins

Commission decision regarding this recommendation:

	Date (if different than <u>February 18, 2022</u>)	I <u>CONCUR</u>	I <u>DO NOT CONCUR</u>	I WILL WRITE A DISSENTING <u>STATEMENT *</u>
Pickett	<u>Feb 22, 2022</u>	<u>RMP</u>		
Kurber	<u>Feb 22, 2022</u>	<u>KKT</u>		
Scott	<u>Feb 22, 2022</u>	<u>AGS</u> AGS		
Sullivan	<u>Feb 23, 2022</u>	<u>DS</u> DS		
Wilson	<u>Feb 23, 2022</u>	<u>JW</u> JW		

If this column is initialed, Staff will contact the Commissioner for the statement; otherwise, the dissent will simply be noted at the close of the By Direction letter or order.

¹ This document was signed on February 18, 2022.

STATE OF ALASKA
The Regulatory Commission of Alaska
701 West 8th Ave., Suite 300
Anchorage, Alaska 99501-3469

M E M O R A N D U M

TO: Commissioners:
Robert M. Pickett, Chairman
Keith Kurber II
Antony G. Scott
Daniel A. Sullivan
Janis W. Wilson

DATE: February 18, 2022

FROM: Cameron Rollins, Utility Engineering Analyst

Subject: TL159-311 – Harvest Alaska Tariff revision

Statement of Case

Harvest Alaska has requested the Regulatory Commission of Alaska (Commission) approve revisions to its Tariff Sheet No. 16, received by the Commission on January 25, 2022, with an effective date of February 1, 2022.

The Commission must determine whether to approve or suspend the tariff filing.

Recommendation

Staff recommends the Commission approve Tariff Sheet No.16, which includes the adoption by reference of Harvest Alaska's current FERC Tariff No. 44.21.0, filed January 25, 2022, as shown on Attachment CNR-1. The effective date of the tariff sheet should be February 1, 2022.

Procedural History

On January 25, 2022, Harvest Alaska filed TL159-311 seeking approval of revisions to its Tariff Sheet No. 16.²

Public notice was waived for this filing.³

² *Harvest Alaska - Compliance Filing with P-99-012(26) et al. (TAPS Quality Bank)*, filed January 25, 2022 (TL159-311).

³ The Commission Chair determined that public notice is not required, as this annual filing is made in compliance with Commission and FERC Orders.

On February 9, 2022, Tesoro Alaska Company LLC (Tesoro) filed a petition to intervene.⁴ As of the time of this memorandum, no comments or protests have been filed with the Commission.

Discussion

Quality Bank Methodology

Previous FERC⁵ and Commission⁶ Orders require that adjustments to the reference prices for Light Distillate, Heavy Distillate, and Resid, be revised each year in accordance with the changes to the Nelson-Farrar Cost Index (Operating Indexes Refinery), by multiplying the adjustments or costs for the previous year by the ratio of (1) the average of the monthly indexes for the most recent 12 consecutive months to (2) the average of the monthly indexes for the previous 12 consecutive months.

Although the Commission does not have direct jurisdiction over the content of Harvest Alaska's FERC Tariff, Harvest Alaska has provided a table showing the updated TAPS Quality Bank index ratio, price adjustments and regression analysis used to derive monthly fuel indexes from February 1, 2021, through January 31, 2022.⁷

Commission Compliance

Harvest Alaska made this tariff advice filing in compliance with 3 AAC 48.200 – 3 AAC 48.430, addressing the filing of a tariff. Commission staff is required to review a filing for consistency with the Commission regulations and orders. Regarding tariffs, the Commission is charged with ensuring that rates⁸ and services⁹ are just, reasonable, and non-discriminatory.¹⁰ Staff also reviews the proposed tariff language for conformance with accepted industry standards and practices.

Pursuant to 3 AAC 48.270(a), Harvest Alaska estimates that there will be no change in annual revenues for each of its intrastate destinations.¹¹ Harvest Alaska states, "Harvest Alaska does not receive any revenue from the Quality Bank. It is an

⁴ *Petition to Intervene of Tesoro Alaska Company LLC*, filed February 9, 2022 (Petition). After discussion with the CDM and ALJ, it was determined that the petition to intervene is not ripe for consideration unless there is some form of protest against the filing.

⁵ See 113 FERC ¶ 61,062 (2005) (Opinion No. 481); 114 FERC ¶ 61,323 (2006) (Opinion No. 481-A); 115 FERC ¶ 61,287 (2006) (Opinion No. 481-B)

⁶ See P-89-1(104) / P-89-2(98) / P-94-4(37) / P-96-6(24) / P-98-9(16) / P-99-12(19), *Order Adopting Federal Energy Regulatory Commission Opinion No. 481 Issued in FERC Docket No. OR89-2 et al. and Order Dismissing Complaint Issued in Docket No. OR05-9, and Affirming Electronic Ruling*, dated October 20, 2005; P-89-1(109) / P-89-2(103) / P-94-4(42) / P-96-6(29) / P-98-9(21) / P-99-12(24) (2006); P-89-1(111) / P-89-2(105) / P-94-4(44) / P-96-6(31) / P-98-9(23) / P-99-12(26), *Order Adopting Federal Energy Regulatory Commission Opinion No. 481-A, Adopting Federal Energy Regulatory Commission Order Denying Rehearing and Requiring Filing*, dated March 31, 2006.

⁷ *TL159-311*, Attachments A and B.

⁸ AS 42.06.370(a)

⁹ AS 42.06.310

¹⁰ AS 42.06.320

¹¹ *TL159-311*, p. 2.

adjustment among shippers. As a result, there is no effect on Harvest Alaska's annual intrastate revenues as a result of the proposed change."¹²

State Tariff Sheet No. 16

Harvest Alaska's Tariff Sheet No. 16 incorporates by reference its FERC Tariff No. 44.21.0. FERC Tariff No. 44.21.0 relates to Harvest Alaska's current Quality Bank Methodology for the Trans Alaska Pipeline System (TAPS).

The only revision to Harvest Alaska's tariff proposed in this filing is to update the reference to its currently effective FERC Tariff. Staff's review of the Harvest Alaska's proposed revision to State Tariff Sheet No. 16 confirms that it meets the minimum requirements of 3 AAC 48.330; 3 AAC 48.340(a), (b), and (c); and 3 AAC 48.360(d) and (g),¹³ and therefore should be approved by the Commission.


Conclusion


Staff recommends the Commission approve Tariff Sheet No.16, which includes the adoption by reference of Harvest Alaska's current FERC Tariff No. 44.21.0, filed January 25, 2022, as shown on Attachment CNR-1. The effective date of the tariff sheet should be February 1, 2022.

Signature: 
Email: bob.pickett@alaska.gov

Signature: 
Keith Kurber II (Feb 22, 2022 16:40 AKST)
Email: keith.kurber@alaska.gov

Signature: 
Email: antony.scott@alaska.gov

Signature: 
Daniel Sullivan (Feb 23, 2022 08:23 AKST)
Email: daniel.sullivan@alaska.gov

Signature: 
Janis W. Wilson (Feb 23, 2022 08:54 AKST)
Email: janis.wilson@alaska.gov

¹² TL159-311, p.2 fn.1.

¹³ 3 AAC 48.330 provides requirements on the format of each state tariff sheet. 3 AAC 48.340(a) requires each new tariff sheet to have the letters "RCA" in the upper left-hand corner of each tariff sheet. 3 AAC 48.340(b) requires each sheet of every tariff must bear a sheet number. 3 AAC 48.340(c) explains how each tariff sheet must be labeled as to which revision is the current revision. 3 AAC 48.360(d) provides directions to a pipeline carrier also subject to federal jurisdiction on the placement of sections of its currently effective federal tariff which are applicable to intrastate transportation of oil and petroleum products. 3 AAC 48.360(g) provide information to pipeline carriers on the use and location of symbols noting modification of rules and regulations found in tariffs.

RCA No. 311

Original _____

Sheet No. 16

Canceling _____

Sheet No. 16**RECEIVED****JUL 15 2021**STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA**HARVEST ALASKA, LLC****6. FERC TARIFF AND SUPPLEMENTS**

The following rules and regulations in FERC No. 42.1.0 are applicable to the transportation of petroleum within the State of Alaska and are incorporated by reference in RCA Tariff No. 1, with the exception of Item 120, relating to Connection Policy.

Item 5	Definitions
Item 10	Commodity
Item 15	Specifications as to Quality Received
Item 20	Shipments, Maintenance of Identity
Item 25	Duty of Carrier
Item 30	Title
Item 35	Gauging, Testing and Volume Correction
Item 40	Time
Item 45	Scheduling and Use of Terminal and Penalty Provisions
Item 50	Applications of Rates, Charges, Rules and Regulations
Item 55	Scheduling of Pipeline and Apportionment of Throughput Capability
Item 60	Payment of Transportation and Other Charges
Item 65	Liability of Carrier
Item 70	Claims, Suits, and Time for Filing
Item 75	Legality of Shipments
Item 80	Inhibitors
Item 85	Destination Facilities
Item 90	Origin Facilities
Item 95	Charge for Trans Alaska Pipeline Liability Fund
Item 100	Petroleum Fill Requirements
Item 105	Rates Applicable to and from Intermediate Points
Item 110	In Transit Shipments
Item 120	Connections to the Trans Alaska Pipeline System (Note: Connection Policy under this tariff is governed by RCA Revised Tariff Sheet No. 5, as directed by RCA Order P-97-5(10))

The TAPS Quality Bank Methodology, applicable to the transportation of petroleum within the State of Alaska, is contained in FERC No. 44.20.0 and successive issues thereof, and is incorporated by reference in RCA Tariff No. 1.

Pursuant to **P-19-017(18)**Effective Date: **July 28, 2021**Issued by: Harvest Alaska, LLCBy: 
Andrew LimmerTitle: Vice PresidentRCA No. 311

Second Revised _____

Sheet No. 16

Canceling _____

First Revised _____

Sheet No. 16

TARIFF SECTION

RECEIVED**JAN 25****2022**

RCA

HARVEST ALASKA, LLC**6. FERC TARIFF AND SUPPLEMENTS**

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The TAPS Quality Bank Methodology, applicable to the transportation of petroleum within the State of Alaska, is contained in FERC No. **44.21.0** and successive issues thereof, and is incorporated by **[C]** reference in RCA Tariff No. 1.

Symbols: [C] To denote a changed condition or regulation

Tariff Advice No. **TL159-311**Effective Date: **February 1, 2022**Issued by: Harvest Alaska, LLCBy: 
Andrew LimmerTitle: Vice President